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Board of Supervisors

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March 30, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

John F. Schunhoff, Ph.D.
Interim Director

Robert G. Splawn, M.D.
Interim Chief Medical Officer

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

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**APPROVAL OF AMENDMENT TO SPECIALTY MEDICAL TEMPORARY
PHYSICIAN ANESTHESIOLOGY SERVICES AGREEMENT WITH
NATIONAL MEDICAL REGISTRY, INC.
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

Request approval to increase the maximum obligation of the Agreement with National Medical Registry, Inc., for additional physician anesthesiology services at the Department of Health Services' High Desert Health System.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Interim Director of Health Services (Interim Director), or his designee, to execute Amendment No. 4 to Agreement No. H-700106 with National Medical Registry, Inc. (NMR), effective upon the date of Board approval through June 30, 2010, to increase the maximum obligation by \$20,000 for the current fiscal year (FY), from \$90,000 to \$110,000, for additional as-needed physician anesthesiology services.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommendation will allow the Interim Director, or his designee, to execute an amendment, substantially similar to Exhibit I, to increase the current fiscal year maximum obligation of Agreement No. H-700106 with NMR, from \$90,000 to \$110,000, to cover scheduled physician anesthesiology services at High Desert Health System (HDHS) for the remainder of the Agreement term. Due to the unanticipated absence of County anesthesiology staff, HDHS requires at least four additional days of anesthesia coverage to be provided by NMR.

Approval of this amendment is necessary to maintain coverage for Department of Health Services patient care services. The Department is currently reviewing and assessing all of the physician registry services agreements in an effort to consolidate and standardize the contracting process. Prior to the expiration of this Agreement, the Department of Health Services will return to your Board requesting approval of an updated form agreement to replace the current Physician Specialty Medical Registry Agreement and three Temporary Physician Anesthesiologists agreements.

Implementation of Strategic Plan Goals

The recommended action supports Goal 4, Health and Mental Health, of the County Strategic Plan.

FISCAL IMPACT/FINANCING

The maximum obligation for Fiscal Year (FY) 2009-10 will increase from \$90,000 to \$110,000, through June 30, 2010. The \$20,000 increase is included in the FY 2009-10 Final Budget. The rates for the physician anesthesiology services will remain the same for the remainder of the term of the agreement.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

For a number of years, your Board has approved specialty medical temporary physician anesthesiology services agreements for the provision of as-needed part-time/intermittent anesthesia coverage. On March 11, 2003, your Board approved an agreement with NMR for physician anesthesiology services at HDHS.

Between 2005 and 2009, several amendments were approved by your Board to increase the hourly rates and extend the term of the physician anesthesiology agreements. On May 12, 2009, your Board approved an amendment with NMR to extend the term for one year and increase the maximum obligation of the agreement from \$72,000 to \$90,000 for FYs 2008-09 and 2009-10.

Contract physician anesthesiology services are designed to be used only on an as-needed basis (e.g., critical staffing shortages, peak workloads, unexpected emergencies, and vacation coverage) when County staff is not available to provide the necessary services. Under the administrative direction of HDHS' Medical Director, or designee, NMR's physician anesthesiologists perform scheduled general anesthesia services for the High Desert Ambulatory Surgery Center.

Each of NMR's physicians must be either board-certified or board-eligible, and their specialty recognized by the American Medical Association. They must meet the credentialing requirements of HDHS, which includes a review of the physician's malpractice history, joining the medical staff, and complying with the Professional Staff Association Bylaws of HDHS. There is no overtime or

additional compensation for weekends or holidays for the Contractor's physician anesthesiology personnel. The agreement does not obligate the County to use any services from the Contractor during the term of the Agreement. In addition, the agreement acknowledges the County's right to contract with other providers and to perform physician anesthesiology services itself, using County personnel.

The Agreement includes the latest Board-mandated provisions, including the most recent provision – Defaulted Property Tax Reduction Program.

County Counsel has approved Exhibit I as to form.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendation will ensure the continued provision of critical patient care at HDHS.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John F. Schunhoff". The signature is fluid and cursive, with a large initial "J" and "S".

JOHN F. SCHUNHOFF, Ph.D.
Interim Director

JFS:gh

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

EXHIBIT I

Contract No. H-700106-4

SPECIALTY MEDICAL SERVICES AGREEMENT
(Temporary Physician Anesthesiologist)

AMENDMENT NO. 4

THIS AMENDMENT is made and entered into this _____ day of

_____, 2010,

by and between

COUNTY OF LOS ANGELES
(hereinafter "County"),

and

NATIONAL MEDICAL REGISTRY, INC.
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "SPECIALTY MEDICAL SERVICES AGREEMENT (Temporary Physician Anesthesiologist)", dated March 11, 2003, and further identified as County Agreement No. H-700106, and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to increase the maximum obligation for the remainder of the contract period ending June 30, 2010, and to make other hereinafter described changes; and

WHEREAS, the Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties.

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective upon the date of Board approval.

2. Paragraph 4, Subparagraph G of Agreement, BILLING AND PAYMENT, shall be revised to read as follows:

"G. During the period July 1, 2006 through June 30, 2007, the maximum obligation of County for all services provided hereunder shall not exceed Seventy-Two Thousand Dollars (\$72,000).

During the period of July 1, 2007 through June 30, 2008, the maximum obligation of County for all services provided hereunder shall not exceed Seventy-Two Thousand Dollars (\$72,000).

During the period of July 1, 2008 through June 30, 2009, the maximum obligation of County for all services provided hereunder shall not exceed Ninety Thousand Dollars (\$90,000).

During the period of July 1, 2009 through June 30, 2010, the maximum obligation of County for all services provided hereunder shall not exceed One Hundred Thousand Dollars (\$100,000)."

3. Paragraph 61, CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to the Agreement as follows:

"61. CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles Code Chapter 2.206."

4. Except for the changes set forth hereinabove, the Agreement shall not be changed in any other respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Interim Director of Health Services and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
John F. Schunhoff, Ph.D.
Interim Director of Health Services

NATIONAL MEDICAL REGISTRY, INC.
Contractor

By _____
Signature

Print Name

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
BY THE OFFICE OF THE COUNTY COUNSEL

AMEND4:NMR
gh:02/11/10